R. M. Nagar & Associates
B.Com.,LL.B(SP.),A.C.A.

B-5 Dhupsali Appartment
Opp.Lotus School,
Jodhpur Gam Road,
Satelite, Ahmedabad – 380015.

AUDITOR'S REPORT

To the Shareholders of
Relish Pharmaceuticals Ltd.
Ahmedabad.

1. We have audited the attached Balance Sheet of Relish Pharmaceuticals Limited, as at 31st March 2010 and Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining , on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3 As required by the Companies (Auditors Report) Order, 2003 issued by the central government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, para 4 & 5 are not applicable to the company.

4. Further to our comments in the Annexure referred to above, We report that:

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, subject to note no.8, regarding non maintenance of Costing records proper books of account as required by law have been kept by the Company so far as it appears form our examination of such books.
   (c) The Balance Sheet and Profit & Loss account dealt with by this report are in agreement with the books of account.
   (d) Except for non compliance of Accounting Standard 15 (refer note no 3) for Accounting for Retirement Benefits in the Financial Statement of Employers, Accounting Standard 22 (refer note no. 4) Accounting for taxes on income, In our opinion, the balance sheet and profit & loss account comply with the accounting standards referred to in sub-section (3 C) of section 211 of the companies act, 1956.
   (e) Except as above and On the basis of written representation received from the directors as on 31/03/2010 and, taken on records by the Board of Directors, We report that none of the directors is disqualified as on 31st March, 2010 form being appointed as a Directors in terms of clause (g) of sub-section (1) of section 274 of the companies Act, 1956.

   Attention is invited to :
   1. Note no 5 regarding the accounts of the Company have been prepared on going concern basis.
   2. Note no.: 6 regarding balances of secured and unsecured loans, creditors, other liabilities, debtors, loans and advances and balances with banks being subject to confirmation and reconciliation.



3. Note no.: 7 regarding expenses Capital work in progress for building of Rs.4,56,710 in respect of which non provision for impairment is required to be made in the opinion of the management of the Company. In absence of any evidence in this regard, I am unable to comment on the provision for impairment and /or realisability of the same.

(f) Subject to the foregoing, In our opinion and to the extent best of our information and according to the explanation given to us, the said balance-sheet read together with the notes and give by the companies Act 1956 in the manner as required a true and fair view in the case of Balance Sheet, of the state of affairs of the Company as at 31st March,2010 and

(I) In the case of balance Sheet, of state of affairs of the Company as at 31st March, 2010 and

(II) In the case of Profit & loss Account, of the profit, of the Company for the year period ended on that date.

For R. M. Nagar & Associates.
Chartered Accountants,

Place: Ahmedabad
Date: 31/07/2010

(Ramesh Nagar)
Proprietor
Membership No.. 38463

Annexure referred to in paragraph 3 of the auditors' report to the shareholders of Relish Pharmaceuticals Ltd. on the accounts of the year ended on 31st March 2010.

(i) (a) The company has maintained proper records showing full particulars, including situation of fixed assets.

(b) as explained to us, the part of the fixed assets has been physically verified by the management at reasonable intervals and as explained to us, no material discrepancies was noticed on such verification.

(c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year.

(ii) (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on verification between the physical stocks and the book stocks were not material.

(iii) (a) According to the information and explanation given to us, the Company has not granted any loans, secured and unsecured to the companies, firm and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

(b) The Company has not taken unsecured loan from parties covered in the register in the register maintained under Section 301 of the Companies Act, 1956.

(c)In our opinion, in view of the above, whether the rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the Company, is not applicable.

(d) In view of the above, the payment of principal amounts and interest is not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are internal control procedures which are required to be strengthened to make commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure of major weakness in the internal control.

(v) According to the information and explanations given to us, the Company has not entered in any transaction which is required to be entered into the register maintained under section 301 of the Companies Act, 1956.

